4

STANDING COMMITTEE ON DEFENCE (1996-97)

ELEVENTH LOK SABHA

MINISTRY OF DEFENCE

[Action Taken on the Recommendations contained in the 1st Report of the Committee (Eleventh Lok Sabha) on Demands for Grants of Ministry of Defence for 1996-97]

FOURTH REPORT

DLL
B 3657 R
L.U.

LOK SABHA SECRETARIAT
NEW DELHI

April, 1997/Vaisakha, 1919 (Saka)

FOURTH REPORT

STANDING COMMITTEE ON DEFENCE
(1996-97)

(ELEVENTH LOK SABHA)

MINISTRY OF DEFENCE

[Action Taken on the Recommendations contained in the 1st Report of the Committee (Eleventh Lok Sabha) on Demands for Grants of Ministry of Defence for 1996-97]

Presented to Lok Sabha on...22 APR 1997
Laid in Rajya Sabha on.....

LOK SABHA SECRETARIAT
NEW DELHI

April, 1997/Vaisakha, 1919 (Saka)

C.O.D. No. 04

LC
328.3657R
N6.V;1

Price : Rs. 12.00

PARLIAMENT LIBRARY
Central Govt. Publications
Acc. No. RC 97216 (2)
Date 13/5/97

© 1997 By Lok Sabha Secretariat

Published under Rule 382 of the Rules of Procedure and Conduct of Business in Lok Sabha (Eighth Edition) and Printed by Jainco Art India, 13/10, W.E.A., Saraswati Marg, Karol Bagh, New Delhi-110005.

CONTENTS

		PAGE
COMPOSITION OF THE COMMITTEE (1996-97)		(iii)
INTRODUCTION		(v)
CHAPTER I	Report	1
CHAPTER II	Recommendations/Observations which have been accepted by the Government	6
CHAPTER III	Recommendation/Observation which the Committee do not desire to pursue in view of the Government's reply	16
CHAPTER IV	Recommendation/Observation in respect of which reply of the Government has not been accepted by the Committee	17
CHAPTER V	Recommendation/Observation in respect of which final reply of the Government is still awaited	20
	Minutes of the sitting	21

APPENDIX

Analysis of Action Taken by the Government on the recommendations contained in the First Report of the Standing Committee on Defence (Eleventh Lok Sabha) 23

COMPOSITION OF THE STANDING COMMITTEE ON DEFENCE (1996-97)

Shri B.K. Gadhvi — *Chairman*

MEMBERS

Lok Sabha

2. Shri Jaswant Singh
3. Smt. Sushma Swaraj
4. Shri Banwari Lal Purohit
5. Shri Baburao Paranjpe
6. Lt. Gen. Shri Prakash Mani Tripathi
7. Shri Rajendra Agnihotri
8. Dr. Chhatrapal Singh
9. Dr. Vallabhbhai Kathiria
10. Shri Ram Chandra Benda
11. Shri Nihal Chand
12. Col. Sona Ram Choudhury
13. Dr. Mallikarjun
14. Shri Shivraj V. Patil
*15. Shri Rajesh Pilot
16. Shri P. Upendra
17. Shri P. Namgyal
18. Maj. Gen. Bikram Singh
19. Smt. Nisha Amarsinh Chaudhary
20. Shri H.D. Kumaraswamy
21. Shri Hannan Mollah
22. Shri A. Sampath

---

* Ceased to be Member w.e.f. 8.10.96.

23. Shri C. Narasimhan
24. Shri Pratap Singh
25. Shri T. Nagaratnam
26. Shri Raja Ram Parasram Godse
27. Shri Nitish Kumar
28. Shri Major Singh Uboke
29. Shri Madhavrao Scindia
*30. Shri Suresh Kalmadi
***31. Shri Bhanu Prakash Mirdha

Rajya Sabha

32. Shri Sushil Kumar Sambhajirao Shinde
33. Shri Peter S. Alphonse
34. Shri Lachman Singh
35. Shri Satchidananda
36. Shri Surendra Kumar Singh
37. Shri K.R. Malkani
38. Shri Satish Agarwal
39. Shri N. Thangaraj Pandian
40. Shri Adhik Shirodkar
41. Shri Suresh A. Keswani
**42. Prof. Ram Kapse

SECRETARIAT

1. Dr. A.K. Pandey — *Additional Secretary*
2. Shri V.N. Gaur — *Director*
3. Shri K.D. Muley — *Assistant Director*
4. Shri Pawan Kumar — *Committee Officer*
5. Shri Kulmohan Singh Arora — *Reporting Officer*

---

* Nominated w.e.f. 8.10.96.
** Nominated w.e.f. 5.11.96.
*** Nominated w.e.f. 26.2.97

INTRODUCTION

I, the Chairman, Standing Committee on Defence (1996-97) having been authorised by the Committee to submit the Report on their behalf, present this Fourth Report on Action Taken by Government on the recommendations contained in the First Report of the Committee (Eleventh Lok Sabha) on Demands for Grants of the Ministry of Defence for the year 1996-97.

2. The First Report was presented to Lok Sabha/laid in Rajya Sabha on 30th August, 1996. The Government furnished their replies indicating action taken on the recommendations contained in the Report on 11th March, 1997. The Draft Report was considered and adopted by the Standing Committee on Defence (1996-97) at their sitting held on 8th April, 1997.

3. An analysis of action taken by Government on recommendations contained in the First Report of the Standing Committee on Defence (Eleventh Lok Sabha) is given in Appendix.

4. For reference facility and convenience, the observations/ recommendations of the Committee have been printed in thick type in the body of the Report.

NEW DELHI;
April 10, 1997
Chaitra 20, 1919 (Saka)

B.K. GADHVI,
Chairman,
Standing Committee on Defence.

CHAPTER I

REPORT

1. This Report of the Committee deals with the action taken by Government on the recommendations/observations contained in their First Report (Eleventh Lok Sabha) on Demands for Grants of the Ministry of Defence for the year, 1996-97 which was presented to Lok Sabha on 30th August, 1996.

2. Action taken Notes have been received from the Government in respect of all the 15 recommendations/observations contained in the Report. These have been categorised as follows :—

(i) Recommendations/Observations which have been accepted by Government :

Sl. Nos. 1, 2, 4 and 6 to 15.

(ii) Recommendation/Observation which the Committee do not desire to pursue in view of Government's reply :

Nil

(iii) Recommendation/Observation in respect of which reply of Government has not been accepted by the Committee :

Sl. No. 3

(iv) Recommendation/Observation in respect of which final reply of Government is still awaited :

Sl. No. 5

3. The Committee will now deal with the action taken by the Government on some of their recommendations.

SHORTAGE OF OFFICERS IN THE ARMY

Recommendation (Sl. No. 3, Para No. 28)

4. The Committee had expressed concern about the extent of shortfall of officers in the Army and pointed out the imperative need

to inculcate and strengthen a feeling of national pride among the youth and motivate them in entering the Services. The Committee had recommended that the National Cadet Corps (NCC) should be extended to all colleges and training should be provided to NCC cadets particularly at Under Officers/Senior Under Officers level with a view to developing in them officers like qualities and thus enabling them to obtain commission in the Armd Forces. The Committee had also recommended that the performance of the Sainik Schools, the Military Schools etc. should be reviewed and effective steps taken with a view to preparing the students for induction into the Armed Forces. Steps should also be taken to establish pre-military training centres. Government should take concrete measures to make Army Career sufficiently remunerative and more attractive including improvement in the career prospects. The Ministry of Defence should also formulate a time bound plan to make good the shortfall in the Army.

5. In the reply, the Ministry of Defence have stated the measures taken or proposed to be taken to reduce the shortage of officers in the Army and make it a better career option under the prevailing market conditions. The Government have decided to launch a comprehensive image projection campaign with the help of professional media agencies with an aim to highlight unique positive features of the Army as a fulfilling career. The Ministry have also stated the measures taken to ensure that the Sainik Schools and the Military schools effectively prepare their students for induction into the Armed Forces.

6. In another reply the Ministry have submitted that the aims of the National Cadet Corps (NCC) have changed since 1992 and it is no longer a feeder service to the Armed Forces nor it is to provide second line of defence.

7. The Committee had recommended that :

(i) National Cadet Corps (NCC) should be extended to all colleges and training should be provided to NCC cadets particularly at Under Officers and Senior Under Officers level with a view to developing in them officers like qualities and thus enabling them to obtain Commission in the Armed Forces ;

(ii) The Ministry of Defence/Government should take steps to establish pre-military training centres; and

(iii) **The Ministry of Defence should formulate a time bound plan to make good the shortfall in the Army.**

However, the reply of the Ministry is silent on the above points. The Committee note that the focus of the NCC is no more military specific. The Committee are not convinced of the logic behind such shift in focus. The Committee are of the view that in young age, the Armed Forces can catch the imagination of the NCC cadets and motivate them to join the Army. The Committee, therefore, recommend that the Government should review the functioning of the NCC and examine the feasibility of resurrection of NCC as a feeder organisation to the Armed Forces. The Committee reiterate that the NCC should be extended to all colleges so that besides being a feeder organisation to the Armed Forces it inculcates a sense of patriotism, national feeling and discipline among the youth. The NCC should also be developed to provide manpower at short notice in the unfortunate event of conflict. The Committee also reiterate that the Ministry of Defence/Government should take steps to establish pre-military training centres and formulate a time bound plan to make good the shortage of officers in the Army. The Committee hope that pay and allowances and other terms and conditions of service of the Army personnel would be made sufficiently attractive so as to make Army a better career option.

ADVANCED JET TRAINER

Recommendation (Sl. No. 7, Para No. 40)

8. The Committee had expressed serious concern over inordinate delay in acquisition of Advanced Jet Trainers causing its adverse impact on the country's defence preparedness. Expressing dissatisfaction over the delay in timely decision making in the matter, the Committee had desired the Government to accord high priority for finalisation of choice of aircraft after considering the options available and to make adequate funding for its acquisition.

9. The Ministry of Defence in their action taken reply intimated that the discussions were held with one of the vendors i.e. M/s BAe of UK and discussions with second shortlisted vendors i.e. DA of France were held in abeyance.

10. The Committee are certainly not happy to observe that even after an inordinate delay of more than 12 years, the Government

have not been able to select Advanced Jet Trainers for the IAF. Apart from loss of a large number of costly fighter planes, the nation has also lost some of its best IAF pilots. Though the Government are making efforts in this direction but in no way the uncertainty enveloping the acquisition of AJT has diminished over the years and the AJT remains a distant dream, compromising the safety of the nation's fighter pilots and aircrafts. It is the considered opinion of the Committee that this state of indecision in the matter would certainly cost the nation very dearly.

The Committee are concerned that there is no significant progress in the negotiations which have been going on for several years and recommend that the Government should take steps for induction of the AJT urgently within a fixed time-frame, taking into consideration all the available options.

LIGHT COMBAT AIRCRAFT (LCA)

Recommendation (Sl. No. 9, Para No. 46)

11. While expressing concern over the delay in the development of the prototype, the Committee had hoped that the revised schedule of development of the prototype and the induction of the Light Combat Aircraft in the IAF fleet by 2003 would be ensured by the Government.

12. The Ministry of Defence in their action taken reply intimated that a phased programme for development of LCA was approved by the Government in 1993. Phase-I programme envisaged development and flight test of LCA by December, 1996 leading to its induction after final operational clearance by the year 2005. For induction of LCA into Indian Air Force by the year 2003 i.e. 2 years ahead of scheduled time, the Ministry have taken the following steps :

(a) Fabrication of two additional prototypes over and above the two technology demonstrators within the sanctioned cost of Phase-I development to cut down the time for flight testing to nearly half.

(b) Constituting an expert Committee to examine ways and means to accelerate induction and continuous monitoring of development programme by multi-tier review mechanism.

13. In another reply the Ministry have stated that the flight test of LCA is now planned for 1997-98.

14. Though the Committee are generally satisfied with the efforts made by the Government for development of LCA and the steps taken to induct the same by the year 2003 i.e. 2 years ahead of schedule, the Committee desire that all efforts be made to complete the phase-I programme of development and flight test of LCA as scheduled now during 1997-98 because any further delay would affect the target of induction in 2003.

The Committee fear that such delays in flight test would result in delay in development of LCA. The Committee would like to impress upon the Government the necessity of taking urgent steps for strict adherence to time schedule fixed for development of LCA.

CHAPTER II

RECOMMENDATIONS/OBSERVATIONS WHICH HAVE BEEN ACCEPTED BY GOVERNMENT

Recommendation (Sl. No. 1, Para. No. 23)

The Standing Committee on Defence have time and again emphasized the need for enhancement of funds for meeting the requirements of Defence Services. However, the Committee find that as against the allocation of Rs. 26879 crores in 1995-96, the Defence Budget for the year 1996-97 seeks to earmark an amount of Rs. 27798.47 crores only. Significantly, the increase in the Budget Estimates for 1996-97 over the previous year's Revised Estimates works out to 3.2% only as against the current rate of inflation of about 4.5%. In other words, there has been no increase in real terms in the Defence Budget for 1996-97 at all. While the funds earmarked for the Army have been increased only marginally, there has been no increase in the allocation of funds for the Air Force and the Navy. The Capital outlay at around 30% is almost steady for several years. Evidently, this level of funding may necessitate sacrificing some of the priorities for re-equipment and modernisation of the Armed Forces. It is also surprising that the Budget allocation does not take into account even such obvious liabilities like the hike in the prices of fuel, the implications of the implementation of the impending report of the Fifth Pay Panel etc., the Committee are therefore, constrained to observe that the allocation made in the Defence Services Estimates for 1996-97 are not only inadequate but also unrealistic.

Reply of the Government

The observations of the Committee that the allocation made in the Defence Services Estimates for 1996-97 are not only inadequate but also unrealistic have been communicated to the Ministry of Finance for their consideration.

[Ministry of Defence O.M. No. H. 11019/10/96/D (Parl) dated 11.3.97]

Recommendation (Sl. No. 2, Para No. 24)

During evidence the Committee were informed that the Ministry of Defence needed enhancement of funds by Rs. 4106.61 crores over Budget Estimates for 1996-97 for meeting various revenue and modernisation requirements. It was also stated during evidence that the Ministry of Finance had assured the Ministry of Defence that they may be providing additional funds between Rs. 1000 to 1500 crores during the current year to meet the foreseen shortfalls on the revenue side and that the extra burden arising out of the recommendations of the Fifth Pay Panel would also be met. The Committee are not satisfied with this assurance. Keeping in view the emerging security scenario and for reasons cited in this Report subsequently, the Committee desire that the entire amount projected by the Ministry of Defence may be allocated in the Defence Budget, 1996-97. Considering the fact that a period of five months of the current financial year has already elapsed, the Committee are of the view that the allocation for Defence Services should be enhanced by a reasonable level, say Rs. 2000 crores, for meeting the various revenue and modernisation requirements at the earliest.

Reply of the Government

As desired by the Committee, the observations/recommendations that the entire amount projected by the Ministry of Defence may be allocated in 1996-97 and the allocation should be enhanced by Rs. 2000 crores at the earliest have been communicated to the Ministry of Finance for their consideration.

[Ministry of Defence O.M. No. H. 11019/10/96/D (Parl) dated 11.3.97]

Recommendation (Sl. No. 4, Para No. 30)

The Committee desire that the Report should be processed expeditiously and necessary follow-up action taken with a view to making the functioning of the Territorial Army more effective so that it provides not only an excellent opportunity to civilians to serve the nation but also to the Army a trained reserve and thereby contribute to the national security.

Reply of the Government

The recommendations of the TA Review Committee which cover the entire gamut of defence activities, have far-reaching implications and will have to be examined indepth taking into consideration the views of the different wings of the Armed Forces before a final decision with regard to their implementation could be arrived at. The process of consultation has already been initiated. However, it will take some time to resolve the various issues.

[Ministry of Defence O.M. No. H. 11019/10/96/
D (Parl) dated 11.3.97]

Recommendation (Sl. No. 6, Para No. 36)

The Committee are distressed to note the low level utilisation of capacity at the Mazagon Dock Ltd. particularly on submarine side which has been lying idle since May 1994. It is a matter of concern that the technical expertise of high order is in danger of getting dissipated. The Committee trust that the proposals for acquisition of submarines will be expeditiously processed and the final decision taken in a manner so as to achieve the objectives of not only catching up with the projected force levels of the Navy but also full utilisation of the indigenous capacities created at great costs particularly at the MDL. Government should ensure that the infrastructure/capacity created for Defence production is fully utilised.

Reply of the Government

Government have since issued a Letter of Intent to the Mazagon Dock Limited for construction of two submarines. This order will employ the facilities available at Mazagon Dock Limited.

[Ministry of Defence O.M. No. H. 11019/10/96/
D (Parl) dated 11.3.97]

Recommendation (Sl. No. 7, Para No. 40)

The Committee regret to note that the proposal mooted as far back as in 1984 for the acquisition of Advanced Jet Trainers is yet to materialize causing its adverse impact in the country's defence preparedness. They are deeply distressed to note that in such an area of Defence, timely decision making is wanting on the part of

Government. The Committee, therefore, desire that Government should accord high priority for finalisation of choice of aircraft after considering all the options available and make provision for adequate funding for its acquisition.

Reply of the Government

As per the directives issued by the Standing Committee, MoD have held discussions with one of the vendors i.e. M/s BAe of UK. Discussions with the second shortlisted vendor i.e. DA of France has been held in abeyance. The latest position on the subject was placed before the Standing Committee during the oral evidence on 15 Oct., 96.

[Ministry of Defence, O.M. No. H. 11019/10/96/D (Parl.) dated 11.3.97]

Comments of the Committee

Please *see* Para No. 10 of Chapter I of the Report.

Recommendation (Sl. No. 8, Para No. 44)

The Committee feel that in order to maintain the force levels in a futuristic threat scenario, it is essential that the IAF build up the inventory of multi-role aircraft. As the IAF has examined the feasibility of the Russian Aircraft and US $ 142 million has already been paid to Russia, an amount lying idle presently, it is necessary that an early decision by the Government in regard to acquisition be taken. In case it is decided to go ahead with the proposal the Government in the light of past experiences may also insist upon simultaneous transfer of technology for indigenous production at places like Ozhar (Nasik) alongwith induction with a view to eliminating future problems arising out of overhaul/repair of the aircraft. The Committee would like to be kept informed of the developments.

Reply of the Government

The Government has approved acquisition of 40 SU-30 aircraft. The negotiations have been completed and the contract signed on 30th November, 1996. The contract provides for outright purchase of aircraft, transfer of technology and subsequent production of the aircraft in the country.

[Ministry of Defence, O.M. No. H. 11019/10/96/D (Parl.) dated 11.3.97]

Recommendation (Sl. No. 9, Para No. 46)

The Committee are concerned over the delay in the development of the prototype. While on the one hand, there has been a delay in the development of the prototype, on the other hand, because of the prevailing security scenario the IAF has asked for preponement of the induction to 2003. The Committee hope that all necessary steps will be taken to ensure development of the prototype according to the revised schedule and the induction of the Aircraft in the IAF fleet by 2003 so as to maintain the combat worthiness of the Indian Air Force.

Reply of the Government

A phased programme for development of LCA was approved by the Govt. in 1993. The Phase I of development programme consists of design, fabrication and limited flight testing of two technology demonstrators for proving the key technologies such as unstable aerodynamic, composite structure, fly by wire system and core avionics. The Phase II programme consists of manufacture of 5 prototypes, integration of multi mode radar, weapons, Kaveri engine and EW systems. The Phase-I programme envisaged development and flight test of LCA by Dec., 1996 and its induction after final operational clearance by the year 2005.

The first technology demonstrator of LCA was rolled out on 17 Nov., 1995. Government has taken the following steps to accelerate pace of development, fabrication, flight testing and flight clearance leading to induction of LCA into Indian Air Force by the year 2003 *i.e.* 2 years ahead of scheduled time:

(a) Fabrication of two additional prototypes over and above the two technology demonstators within the sanctioned cost of Phase-I development, to cut down the time for flight testing to nearly half.

(b) Constituting an expert committee to examine ways and means to accelerate induction and continuous monitoring of development programme by multi-tier review machanism.

[Ministry of Defence, O.M. No. H. 11019/10/96/D (Parl.) dated 11.3.97]

Comments of the Committee

Please see Para No. 14 of Chapter I of the Report.

Recommendation (Sl. No. 10, Para No. 48)

The Committee are deeply concerned about the frequent occurrences of accidents involving the IAF aircraft resulting in large scale losses. They desire that the Ministry of Defence should thoroughly look into the causes of all accidents which took place in the recent past and take remedial measures on an urgent basis with a view to saving precious human lives and valuable aircraft. In this connection, the Committee desire to be apprised of the present position regarding implementation of the recommendations of the La Fontaine Committee on Flight Safety.

Reply of the Government

An analysis of the air accident figures, reveals that on an average, the IAF lost 40 aircraft every year in the decade of 1960's. However, this reduced to 30 in each year in the decade of 70's and 80's. For the present decade, the loss per year works to an average of 24 aircraft. In 1996-97 till 10th March, 1997, 19 aircraft have been lost. The loss of an aircraft is always a cause of serious concern at all levels. Despite the declining trend, MoD has taken stock of the situation. Every accident is investigated by a Court of Inquiry and follow-up action is taken to prevent recurrence of similar accidents.

A high level committee has been set up under the Chairmanship of SA to RM in Feb., 1997 to analyse the reasons for these accidents and to suggest remedial measures. The HAL and IAF would take necessary further steps towards implementation of the recommendations of the Committee to further curtail air accidents.

The La Fontaine Committee, constituted in 1982, analysed 213 accidents of different categories which occurred during 1977-82 and carried out indepth studies into various operational/training aspects. The Committee made recommendations covering major areas like the training plan for various IAF personnel, establishment of Technical Type Training School and Inspectorate Directorate, etc. The action on 30 of the 32 recommendations have been completed.

[Ministry of Defence, O.M. No. H. 11019/10/96/D (Parl.) dated 11.3.97]

Recommendation (Sl. No. 11, Para No. 51)

The Committee appreciate the efforts made by the DRDO in the defence research and developmental programmes. Although the level of allocation of funds to the DRDO during 1996-97 has been proposed to be kept at the same level of 1995-96, i.e. 5.1% of the Defence Budget, the Committee trust that sincere efforts would be made to progressively raise this upto 10% as recommended by them in their Fourth Report (10th Lok Sabha) in order to realise the objective of self-reliance in critical Defence technologies. The Committee are of the view that the funds requirements for the Defence Research & Development projected by the Ministry of Defence should be fully provisioned for in the Budget by the Government as early as possible so as to avoid uncertainty in planning the expenditure for the year.

Reply of the Government

The recommendation of the Committee that the funds requirements for the Defence Research & Development projected by the Ministry of Defence should be fully provisioned for in the Budget by the Government as early as possible so as to avoid uncertainty in planning the expenditure for the year have been communicated to the Ministry of Finance for their consideration.

[Ministry of Defence, O.M. No. H. 11019/10/96/D (Parl.) dated 11.3.97]

Recommendation (Sl. No. 12, Para No. 54)

The Committee note that provision of adequate stores is extremely important for sustained defence production. It is therefore, essential that the stores budget should be kept at an optimum level so as to maintain the chain of production. The Committee therefore, recommend that adequate funds be made available to the ordnance factories to procure stores and to modernise and upgrade their manufacturing lines. The issue budget may also be enhanced proportionately according to the total expected value of sales to the armed forces to ensure availability of priority items of ammunition and other equipment.

Reply of the Government

The recommendation of the Committee that adequate funds be made available to the Ordnance Factories to procure stores and to

modernise and upgrade their manufacturing lines have been communicated to the Ministry of Finance for their consideration.

[Ministry of Defence, O.M. No. H. 11019/10/96/D (Parl.) dated 11.3.97]

Recommendation (Sl. No. 13, Para No. 59)

The Committee regret to note that the various modernisation/ upgradation schemes and re-equipment programmes prioritised by the Services/Ministry could not be taken up in a desired manner due to the resources crunch/budgetary insufficiency. In view of the submissions made by the Ministry of Defence, the Committee feel strongly that such schemes which are on anvil and are vital for the defence preparedness of the country are not hampered and emphasise that Government should provide adequate resources for the same. The Committee therefore, desire that the Government should formulate a time bound plan for implementation of the various schemes/ programmes for modernisation and re-equipment and provide adequate funds in time with a view to ensuring that our defence capabilities keep pace with the changing threat perceptions, technologies and the geo-political environment.

Reply of the Government

The observations of the Committee are valid and the suggestions made have been noted for compliance. Even though the prioritised programmes of modernisation, for all the three Services, are carried out in a manner designed to optimise the exploitation of the available resources, the recurring inadequacy of funds has, to some extent, affected the modernisation efforts.

Government are in agreement with the Committee's suggestion to have a time bound plan for implementation of the various schemes and programmes for modernisation and re-equipment of the forces. A five year projection is accordingly being prepared with detailed proposals for modernisation and upgradation of the weaponry of the defence forces.

Ministry of Defence closely monitor the implementation of the approved modernisation schemes so as to avoid any time and cost over-run as also to ensure that the required level of defence preparedness is continuously maintained. Monitoring Groups, already

functioning for ensuring budgetary control, especially of the obligatory commitments, have also been tasked to ensure regular review and feed back, for effecting timely release of earmarked resources as well as to ensure implementation of the aforesaid schemes within the stipulated 'time-frame'.

[Ministry of Defence O.M. No. H. 11019/10/96/D (Parl.) dated 11.3.97]

Recommendation (Sl. No. 14, Para No. 62)

The Committee are not fully convinced with the arguments advanced by the Ministry of Defence seeking to justify non-utilisation of the funds in the specified items. They are rather surprised that while on the one hand, the Ministry have been complaining about inadequacy of funds in several areas, in the specific instances under scrutiny, the Ministry have miserably failed in ensuring proper utilisation of the resources in the execution of new Naval construction projects. This clearly shows adhocism and lack of planning in the Ministry. The Committee recommend that, the Ministry of Defence should take suitable steps for effectively monitoring the implementation of new projects in order to ensure not only proper utilisation of the meagre resources allocated, but also to avoid cost and time over-runs.

Reply of the Government

The observations of the Committee have been noted. The variations in the Budget Estimates, Revised Estimates and Actual expenditure have taken place inspite of the monitoring mechanism available in the Naval Headquarters. However, to prevent such variations in future, necessary instructions are being given to the concerned authorities for making realistic Budget/Revised Estimates and for monitoring the progress of projects, and exercising greater budgetary control.

[Ministry of Defence, O.M. No. H. 11019/10/96/D (Parl.) dated 11.3.97]

Recommendation (Sl. No. 15, Para No. 64)

The Committee desire that all cases of illegal occupation of land belonging to the Ministry of Defence should be vigorously pursued to their logical conclusions. The Ministry should also take effective steps to strengthen their vigilance and check such encroachments. Special

vigilance should be kept in urban areas where the land prices obviously are considerably high.

Reply of the Government

The Defence Estates comprise of 21.52 lakh acres of Defence owned land all over the country out of which land measuring 6903 acres is under encroachment.

To ensure effective steps to strengthen vigilance and to remove these encroachments, Ministry reviewed the entire position and reiterated detailed instructions directing all authorities concerned to ensure that eviction of encroachment is undertaken as per the provisions of the Public Premises (Eviction of Unauthorised Occupants) Act, 1971 and Cantonments Act, 1924. To further ensure prevention and detection of encroachments, Ministry has initiated an in-house exercise of land audit. Besides, detailed instructions have been issued to the local authorities to submit an annual certificate to the Ministry indicating encroachments noticed during the year and action taken for its removal. Ministry of Defence also reviews the progress of action taken to remove encroachments in the conference of Directors of Defence Estates.

Though the detection and removal of encroachments are a continuous process, a special drive has been launched to contain as well as to remove the existing encroachments.

[Ministry of Defence, O.M. No. H. 11019/10/96/D (Parl.) dated 11.3.97]

CHAPTER III

RECOMMENDATION/OBSERVATION WHICH THE COMMITTEE DO NOT DESIRE TO PURSUE IN VIEW OF GOVERNMENT'S REPLY

—NIL—

CHAPTER IV

RECOMMENDATION/OBSERVATION IN RESPECT OF WHICH REPLY OF GOVERNMENT HAS NOT BEEN ACCEPTED BY THE COMMITTEE

Recommendation (Sl. No. 3, Para. No. 28)

The Committee are concerned about the extent of shortfall of officers in the Army. There is an imperative need to inculcate and strengthen a feeling of national pride among the youth and motivate them in entering the Services. The efforts made by the organisations like the National Cadet Corps in this direction are welcome. However, such efforts have to be suitably supplemented and strengthened by taking measures such as, ensuring extension of NCC to all colleges and providing training particularly at Under Officers/Senior Under Officers level with a view to developing in them officers like qualities and thus enabling them to obtain commission in the Armed Forces. The performance of the Sainik Schools, the Military Schools etc. should be reviewed and effective steps taken with a view to preparing the students for induction into the Armed Forces. Steps should also be taken to establish pre-military training centres. In view of the prevailing market conditions where softer and attractive options are becoming increasingly available for qualified brilliant candidates, Government should take concrete measures to make Army career, which requires endurance of a harder life, sufficiently remunerative and more attractive including improvement in the career prospects. The Ministry of Defence should also formulate a time-bound plan to make good the shortfall in the Army. The Committee would like to be kept apprised of the precise steps taken in the matter.

Reply of the Government

To reduce the shortage of officers in the Army, a number of measures have been taken by the Government and these include introduction of University Entry Scheme, Direct Entry, Exemption from appearing in Combined Defence Services Examination for NCC 'C' Certificate holders, enhanced recruitment of Permanent Commissioned Officers and Short Service Commissioned Officers, induction of women

as officers and re-employment of retired officers. There is also a proposal under active consideration of the Government to introduce the cadre of Special Commissioned Officers as an incentive to deserving Junior Commissioned Officers and Other Ranks.

To make the Army a better career option under the prevailing market conditions where softer and more attractive career options are becoming increasingly available for well qualified youth of the country, a number of proposals have been submitted to the Fifth Central Pay Commission by the Army Headquarters in a Joint Memorandum. The proposals include attractive pay and allowances, better terms and conditions of service, a more comfortable retired life etc. Further, it has been recently decided to launch a comprehensive image projection campaign with the help of professional media agencies. The aim of the campaign would be to highlight the unique positive features of the Army as a fulfilling career. A proposal in this regard is in the final stage and a Committee is presently engaged in identifying the agency for handling the campaign in consultation with the concerned authorities in the Ministry of I & B.

Various measures have been taken to ensure that the Sainik Schools and Military Schools effectively prepare their students for induction into the Armed Forces. These are enumerated below :—

(a) **Selection of Staff**— High profile Service Officers are being posted as Principals and Administrative Officers in Military Schools. The selection of the Officers is done by a high level board of officers. The appointment of Principal, Sainik School has been designated as criteria appointment recently in pursuance of objective to improve the functioning of these institutions and to utilise them as a nursery for potential entrants into officers cadre of the Armed Forces.

(b) **Enrichment of Curriculum**—Efforts have been made to lay more emphasis on out-door and co-curricular activities to develop officer like qualities in the boys while maintaining high standards of academic teaching.

(c) **Visit by Senior Officers and Old Boys**—Regular visits of Senior Army Officers and Old Boys are organised to motivate the boys to join the Armed Forces.

(d) **PT Staff and NCC Staff**—Steps have been taken to ensure that only young and smart PT and NCC Staff are made available to these Schools to be role model during the training.

(e) **Skills of Teaching Staff**—In-service workshops and reorientation courses are being organised for the staff to enable them to keep abrest with the latest teaching techniques and provide motivation to students.

(f) **Training for UPSC and SSB**—Special classes are organised for the boys of Class XI and XII to prepare them for UPSC and Service Selection Board.

(g) **Adventure Activities**— Special emphasis is being laid on adventure activities like mountaineering, trekking, cycle hikes to develop spirit of adventure in boys.

(h) Visits of the cadets of Sainik Schools and Military Schools to nearby Army, Naval and Air Units are organised to enable the cadets to appreciate the glory of military life and be inspired to join the Armed Forces.

[Ministry of Defence, O.M. No. H. 11019/10/96/D (Parl.) dated 11.3.97]

Comments of the Committee

Please *see* para No. 7 of Chapter I of the Report.

CHAPTER V

RECOMMENDATION/OBSERVATION IN RESPECT OF WHICH FINAL REPLY OF GOVERNMENT IS STILL AWAITED

Recommendation (Sl. No. 5, Para No. 32)

The Committee are of the view that though it may be a statutory obligation of the Armed Forces to provide services for maintenance of law and order/internal security, it may not prevent the Ministry of Defence to get recouped, the costs incurred by them on this account from the Ministry/Agencies concerned. The Committee, therefore, desire that the matter of getting the expenditure incurred on this score including that of the Rashtriya Rifles reimbursed from the Ministry of Home Affairs/States may be further examined so that the additional burden on the Defence Budget in this behalf could be avoided. The Committee expect that deployment of the Army for duties in connection with maintenance of law and order should be resorted to only in highly justified cases.

Reply of the Government

The question of recovery of the expenditure incurred by the Armed Forces on maintenance of law and order reimbursed from the Ministry of Home Affairs/States has been taken up with the Ministry of Home Affairs and the matter is under consideration of that Ministry.

[Ministry of Defence, O.M. No. H. 11019/10/96/D (Parl.) dated 11.3.97]

NEW DELHI;
April 10, 1997
Chaitra 20, 1919 (Saka)

B.K. GADHVI,
Chairman,
Standing Committee on Defence.

MINUTES OF THE TENTH SITTING OF THE STANDING COMMITTEE ON DEFENCE (1996-97)

The Committee sat on Tuesday the 8th April, 1997 from 1100 hrs. to 1300 hrs. and from 1500 hours to 1700 hours.

PRESENT

Shri P. Upendra — *In the Chair*

MEMBERS

Lok Sabha

2. Smt. Sushma Swaraj
3. Shri Banwari Lal Purohit
4. Shri Baburao Paranjpe
5. Lt. Gen. Shri Prakash Mani Tripathi
6. Shri Rajendra Agnihotri
7. Dr. Chhatrapal Singh
8. Shri Ram Chandra Benda
9. Col. Sona Ram Choudhury
10. Dr. Mallikarjun
11. Shri P. Namgyal
12. Maj. Gen. Bikram Singh
13. Shri Hannan Mollah
14. Shri A. Sampath
15. Shri C. Narasimhan
16. Shri Pratap Singh
17. Shri Nitish Kumar
18. Shri Major Singh Uboke

Rajya Sabha

19. Shri Sushil Kumar Sambhajirao Shinde
20. Shri Peter S. Alphonse
21. Shri Satchidananda
22. Shri Surendra Kumar Singh
23. Shri K. R. Malkani
24. Shri Satish Agarwal
25. Shri Suresh A. Keswani
26. Prof. Ram Kapse

SECRETARIAT

Shri V.N. Gaur — *Director*

•• •• ••

•• •• ••

5. The Committee then considered the draft Report on action taken by the Government on the recommendations contained in the First Report of the Standing Committee on Defence (Eleventh Lok Sabha) on Demands for Grants of Ministry of Defence for the year 1996-97. The Chairman invited Members to offer their suggestions for incorporation into the draft Report. The Members suggested certain additions/modifications/amendments and desired that those be suitably incorporated into the body of the Report. The draft Report was then adopted.

6. The Committee authorised the Chairman to finalise the Report in the light of verbal and consequential changes for presentation to the Parliament.

The Committee then adjourned.

APPENDIX

Analysis of the action Taken by Government on the recommendations contained in the First Report of the Standing Committee on Defence (Eleventh Lok Sabha) on the Demands for Grants of the Ministry of Defence for the year 1996-97

			Percentage of Total
(i)	Total number of recommendations	15	
(ii)	Recommendations/Observations that have been accepted by Government (*vide* recommendations at Sl. Nos. 1, 2, 4 and 6 to 15)	13	86.66
(iii)	Recommendation/Observation which the Committee do not desire to pursue in view of Government's reply	Nil	Nil
(iv)	Recommendation/Observation in respect of which Government's reply has not been accepted by the Committee (*vide* recommendation at Sl. No. 3)	1	6.67
(v)	Recommendation/Observation in respect of which final reply of Government is still awaited (*vide* recommendation at Sl. No. 5)	1	6.67